



Health Services
LOS ANGELES COUNTY

June 27, 2013

**Los Angeles County
Board of Supervisors**

Gloria Molina
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

Christina R. Ghaly, M.D.
Deputy Director Strategic Planning

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503

www.dhs.lacounty.gov

*To ensure access to high-quality,
patient-centered, cost-effective
health care to Los Angeles
County residents through direct
services at DHS facilities and
through collaboration with
community and university
partners*



www.dhs.lacounty.gov

TO: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Mitchell H. Katz, M.D.
Director

SUBJECT: **NOTIFICATION OF DEPARTMENT OF HEALTH
SERVICES' USE OF DELEGATED AUTHORITY TO
AMEND THE EMERGENCY AND DISASTER
MANAGEMENT SERVICE AGREEMENT WITH
HOSPITAL ASSOCIATION OF SOUTHERN
CALIFORNIA**

This is to inform the Board that the Department of Health Services (DHS) has exercised its delegated authority, approved on December 4, 2012 (attached), to execute amendments to an agreement with the Hospital Association of Southern California (HASC), to increase the maximum obligation by no more than \$21,909 annually for any additional as-needed programming installation maintenance, or repair services costs.

Amendment No. 3 to Emergency and Disaster Management Services Agreement No. H-702828 with the HASC increases the Agreement's maximum obligation by \$9,500. The increase will pay for additional programming needed to modify the current ReddiNet® Emergency Communications System for the County hospitals' Psychiatric Emergency Department and will augment the County's efforts to better manage its resources. All other terms, conditions, and restrictions of the Agreement remain unchanged and in full effect.

County Counsel has reviewed and approved this Amendment as to form.

If you have any questions or require additional information, please let me know.

MHK:rg

Attachment

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



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December 04, 2012

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 2 FOR EMERGENCY AND DISASTER
MANAGEMENT SERVICES AGREEMENT NO. H-702828
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION
()
DISAPPROVE ()**

SUBJECT

Request approval of Amendment No. 2 to Agreement No. H-702828 to upgrade, and extend the term of, the Emergency and Disaster Management Services with ReddiNet® for the Emergency Communications System with the Department of Health Services' Emergency Medical Services Agency.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director of Health Services (Director), or his designee, to execute Amendment No. 2 to Agreement No. H-702828 with the Hospital Association of Southern California (HASC), to: (i) extend the term for the period January 1, 2013 through June 30, 2017, and (ii) upgrade the ReddiNet® Emergency Communications System (ReddiNet®), at a maximum cost of \$219,094 for the extension period.
2. Delegate authority to the Director, or his designee, to execute future amendments to this Agreement to increase the maximum obligation of

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

23 December 4, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

\$219,094 by no more than 10 percent annually, for an increase of up to \$21,909 per year to pay for any additional, as-needed programming, installation, maintenance, and repair services costs, subject to prior review and approval by County Counsel, and notice to the Board and the Chief Executive Office (CEO).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommendation will allow the Director, or his designee, to execute an amendment to the current Agreement, substantially similar to Exhibit I, with HASC to extend the term of the Agreement through June 30, 2017 and upgrade ReddiNet® to incorporate the use of satellite technology that will provide a faster and more reliable emergency communications link with participating healthcare providers.

The Department of Health Services' (DHS) Emergency Medical Services (EMS) Agency is the coordination point between the County's Medical Alert Center (MAC) and 73 private and County hospitals. The ReddiNet® is a computerized communications system for emergency and disaster management services in Los Angeles County developed by HASC. The EMS Agency was notified that HASC has upgraded the system to satellite-based communication. Upgrading to satellite from microwave removes some of the vulnerabilities associated with a land-based system. This will strengthen the redundancy and recoverability of the entire system. Providers will have access to communication technology that accommodates increased data needs, while improving reliability and speed. DHS continuously strives to improve access to timely and accurate data in order to optimize the level of patient care provided within the County.

The ReddiNet® provides an invaluable tool for determining the real-time status of emergency departments throughout the County. This information is readily available to paramedic-base hospitals and is used to determine the most appropriate hospital, to which a 9-1-1 patient should be transported, inform hospitals of incoming 9-1-1 patients, and transmit and receive information from hospitals during a disaster. The ReddiNet® provides for the broadcasting of information to hospitals of suspected bioterrorism activity, suspected agents, decontamination procedures, and treatment protocols that could impact their emergency departments.

Approval of the second recommendation will allow the Director, or his designee, to amend this Agreement to increase the maximum obligation of \$219,094 by no more than 10 percent annually to expedite unanticipated programming, installation, maintenance, or repairs, including but not limited to, major overhaul, relocation, modification, or refurbishing of equipment.

Implementation of Strategic Plan Goals

The recommended action support Goal 1, Operational Effectiveness, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The County's total estimated maximum obligation for the extension period is \$219,094. This total includes Net County Cost (NCC) of \$187,594 and Hospital Preparedness Program (HPP) grant funding of \$31,500.

The potential 10 percent annual increase of \$21,909 to the maximum obligation would only be utilized for unexpected programming, installation, maintenance, and repair services.

All fees paid under this Agreement, unless covered by grant funding, are billed to the appropriate County facility.

Funding is included in DHS' FY 2012-13 Final Budget, and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The ReddiNet®, operating since January 19, 1989, is a computerized communications system utilizing computer-controlled linkages between the County's MAC and 73 private and County hospitals. The system is utilized on an on-going basis to: 1) monitor the diversion status of emergency departments to determine the most appropriate facility for transporting 9-1-1 ambulance patients; 2) inform hospitals of incoming 9-1-1 patients; and 3) transmit and receive information from hospitals during a disaster.

On June 19, 2007, the Board approved the current Agreement with HASC, effective July 1, 2007 through June 20, 2012, which provides centralized coordination, maintenance, and administration of the ReddiNet® for on-going support services. A subsequent Amendment extended the term of the Agreement through December 31, 2012, while DHS conducted a review of additional satellite systems to determine whether another product would better serve the County's needs. Following a thorough review, and after conducting a cost/benefit analysis, DHS determined that procuring satellite services through HASC was most cost-effective.

HASC is a trade association with the technical and centralized resources to effectively administer the ReddiNet® System, which was designed, developed, and customized by HASC for the County. In preparation for the conversion from microwave to satellite, and due to the high volume of participating facilities, HASC was able to negotiate special pricing for commercial grade satellites, thereby reducing the costs involved in upgrading the system's capabilities. HASC will be able to expeditiously complete this project through separate contracts with vendors to install the satellite equipment and facilitate approvals by the California Office of Statewide Health Planning and Development (OSHPD).

This Amendment contains a negotiated alternative provision regarding limited liability exposure to the County applicable during the completion of this project, which was reviewed by the CEO's Risk Management Division. Risk Management informed DHS that the change to the insurance provision in this situation was at the discretion of DHS as a reasonable business decision. DHS determined that the value of the service outweighs any risk associated with this short-term exemption, and will allow the County to expedite the installation of equipment designed to upgrade this critical emergency medical communication system and fully utilize HPP grant funding allocated for these purposes.

This Amendment also includes provisions: 1) prohibiting the County from directly contacting any vendor or supplier for satellite services for ReddiNet without HASC's prior written approval; 2) delegating authority to HASC for providing equipment and services for satellite communications via satellite vendors and prohibiting the County from contracting with these vendors to provide any or all of the equipment or services covered by this Agreement during the term of this Agreement; 3) clarifying equipment, hardware, and software specifications, ownership, responsibilities, and licenses; 4) revising participating facilities; 5) updating fees and price schedules for hardware and software, as-needed services, satellite equipment installation and services, terminal management; 6) incorporating OSHPD consultant requirements; and 7) updating Contractor's "Business Associate" obligations under the Health Insurance Portability and Accountability Act of 1996 and the Health Care Information Technology for Economic and Clinical Health Act.

The Agreement may be terminated by either party with the provision of a 90-day prior written notice.

County Counsel has approved Exhibit I as to form. The Chief Information Office recommends approval of the Amendment (CIO Analysis attachment I).

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will allow the continued use of a reliable countywide emergency and disaster communications system utilized by private and County hospitals and associated emergency service providers.

Respectfully submitted,

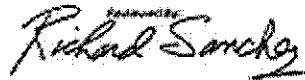


Mitchell H. Katz, M.D.

Director

MHK:rg

Enclosures



RICHARD SANCHEZ

Chief Information Officer

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors
Auditor-Controller
Emergency Medical Services Commission
Hospital Association of Southern California



RICHARD SANCHEZ
CHIEF INFORMATION OFFICER

Office of the CIO
CIO Analysis

Attachment I

NUMBER:

CA 12-25

DATE:

11/14/2012

SUBJECT:

**APPROVAL OF AMENDMENT NO. 2 FOR EMERGENCY AND DISASTER
MANAGEMENT SERVICES AGREEMENT NO. H-702828**

RECOMMENDATION:

☒ Approve

☐ Approve with Modification

☐ Disapprove

CONTRACT TYPE:

☐ New contract

☐ Sole Source

☒ Amendment to Contract #: H-702828

☐ Other: Describe contract type.

CONTRACT COMPONENTS:

☒ Software

☒ Hardware

☐ Telecommunications

☐ Professional Services

SUMMARY:

Department Executive Sponsor: Cathy Chidester, Director, Emergency Medical Services,
Department of Health Services

Description: Department of Health Services is requesting Board authorization to: 1) execute Amendment No. 2 to Agreement No. H-702828 with the Hospital Association of Southern California (HASC), to extend the term from January 1, 2013 through June 30, 2017, and upgrade the ReddiNet Emergency Communications System (ReddiNet), at a maximum cost of \$219,094 for the extension period; and 2) execute future amendments to increase the maximum obligation of \$219,094 by no more than 10 percent, for an increase of up to \$21,909 per year to pay for as-needed programming, installation, maintenance, and repair services costs.

Contract amount: \$219,094

Funding source: DHS Operating Budget FY 2012-13
and Hospital Preparedness
Program (HPP) Grant Funding

☐ Legislative or regulatory mandate

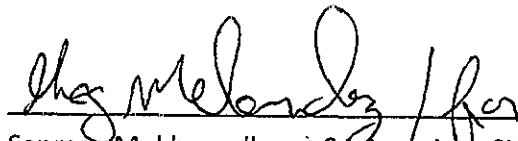
☒ Subvened/Grant funded: 14%

Strategic and business analysis	<p>PROJECT GOALS AND OBJECTIVES:</p> <p>The ReddiNet system, which is owned and operated by HASC, is a dedicated countywide emergency and disaster communications system for real-time communication and information sharing for private and County hospitals, emergency service providers for emergency medical service operations, and disaster and mass causality incidents.</p> <p>This Amendment supports the following goals:</p> <ol style="list-style-type: none"> 1. Provides satellite communication for system redundancy and recoverability during a disaster; and 2. Allows the Department to amend the Agreement to pay as-needed system maintenance and support; and to install satellite service.
	<p>BUSINESS DRIVERS:</p> <p>The business driver for this project is to assist critical patients to be routed to the appropriate hospital in the County. The new system will allow larger bandwidth, increased reliability, and improved speed</p>
	<p>PROJECT ORGANIZATION:</p> <p>There are ReddiNet coordinators in each hospital, including the County hospitals as well as in DHS' Emergency Medical Services (EMS) Agency. There is an operational governance structure between the facilities and HASC. Changes are coordinated via the committees to the central HASC organization.</p>
	<p>PERFORMANCE METRICS:</p> <p>This is a software license and maintenance agreement for an operational system run by HASC. HASC continues to upgrade the system based on feedback from the different ReddiNet coordinators and the associated committees. The system has made significant improvements in patient care during emergencies and day-to-day basis by facilitating the optimization of resources</p>
	<p>STRATEGIC AND BUSINESS ALIGNMENT:</p> <p>The proposed Amendment supports Goal 1, Operational Effectiveness, of the County's Strategic Plan.</p>
	<p>PROJECT APPROACH:</p> <p>The system utilizes Internet for communications and will establish alternate satellite communications for system redundancy and recoverability for three DHS hospitals.</p>

	<p>ALTERNATIVES ANALYZED:</p> <p>ReddiNet is custom tailored for the hospitals with the functionality that serves the critical need for the patients in the County. The Amendment will implement satellite-based technologies that will increase the capacity of the system and at the same time reduce the costs.</p>																		
Technical analysis	<p>ANALYSIS OF PROPOSED IT SOLUTION:</p> <p>ReddiNet is a web-based emergency and disaster communication system. Terminals are located at each hospital and communicate with the ReddiNet server via Internet. Under this Amendment, three County hospitals: Harbor/UCLA, LAC/USC and Olive View are purchasing the Hughes Satellite Systems (the HASC partner provider) as their redundant form of communicating with the ReddiNet server via Internet. Hughes' proprietary satellite system utilizes technologies like onboard digital processing, packet switching and spot beam technology to enable comparable speed, capacity, and connectivity</p>																		
Financial analysis	<p>BUDGET:</p> <p>Contract costs</p> <p>One-time costs:</p> <table> <tr> <td>Hardware</td><td>\$ 30,000</td></tr> <tr> <td>Software</td><td>\$ 0</td></tr> <tr> <td>Services</td><td>\$ 1,500</td></tr> </table> <p>Ongoing costs for the 4-1/2 year term extension:</p> <table> <tr> <td>Hardware</td><td>\$ 0</td></tr> <tr> <td>Software</td><td>\$ 64,288</td></tr> <tr> <td>Services</td><td>\$ 123,306</td></tr> <tr> <td>Sub-total Contract Costs:</td><td>\$ 219,094</td></tr> </table> <p>Other County costs: N/A</p> <table> <tr> <td>Total one-time costs:</td><td>\$ 31,500</td></tr> <tr> <td>Total term extension costs:</td><td>\$ 219,094</td></tr> </table>	Hardware	\$ 30,000	Software	\$ 0	Services	\$ 1,500	Hardware	\$ 0	Software	\$ 64,288	Services	\$ 123,306	Sub-total Contract Costs:	\$ 219,094	Total one-time costs:	\$ 31,500	Total term extension costs:	\$ 219,094
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Risk analysis	<p>RISK MITIGATION:</p> <ol style="list-style-type: none"> 1. The risk of down time due to loss of Internet connectivity will be reduced due to the move to Internet/Satellite technology. 2. Better bandwidth and speed of data provided by Internet/Satellite technology will help mitigate risks to patient care. 3. The Chief Information Security Officer (CISO) has reviewed the Agreement and did not identify any IT security or privacy related issues. 																		

CIO Approval

PREPARED BY:

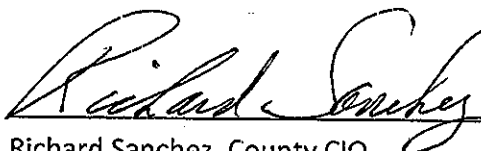


Sanmay Mukhopadhyay, Sr. Associate CIO

11/20/2012

Date

APPROVED:



Richard Sanchez, County CIO

11-20-12

Date

Please contact the Office of the CIO (213.253.5600 or info@cio.lacounty.gov) for questions concerning this CIO Analysis. This document is also available online at <http://ciointranet.lacounty.gov/>